MT LEGISLATIVE HISTORY

Chapter 286 1975

Bill H _____ S 180 Original bill & hist. ___C

| H. Committee on Taxation | | | S. Committee on Taxation | | |
|---|---|---|---|---|---|
| Hearing Date(s) | Mar 12 | ✓C | Hearing Date(s) | Feb 13 | ✓C |
| | Mar 18 | ✓C | | _____ | ___C |
| | _____ | ___C | | _____ | ___C |
| | _____ | ___C | | _____ | ___C |
| Date Out | Mar 18 | ✓C | | Feb 13 | ✓C |

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Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

INTRODUCED BY Senate BILL NO. 180
LYNCH Lee Healy

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A THIRTY YEAR STATUTE OF LIMITATIONS ON ALL UNPAID TAXES LEVIED AND ASSESSED PRIOR TO SAID THIRTY YEAR PERIOD, AGAINST REAL PROPERTY, AND TO PROVIDE FOR THE DESTRUCTION OF ALL SUCH TAX RECORDS OVER THIRTY YEARS OLD."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Certain unpaid taxes uncollectible -- stricken from records. All unpaid taxes, which constitute a lien on real property in the state of Montana, levied and assessed against real property, more than thirty (30) years prior to the effective date of this act, whether the levy be by general or special assessment, or by the state of Montana, or any county, city, or political subdivision of the state of Montana, are hereby declared to be uncollectible and stricken from the respective tax records.

Section 2. Treasurers to destroy certain tax records. The treasurer of each county, city, or town in the state of Montana, shall destroy all tax records in his possession more than thirty (30) years old as of the effective date of this act which have been designated as uncollectable under section [1 of this act].

-End-

INTRODUCED BILL

SB 180

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

February 13, 1975

The twenty-first meeting of the Taxation Committee was called to order on the above date by Chairman Watt in Room 415 of the State Capitol Building at 8:10 a.m.

ROLL CALL: Roll call found all members present.

The following witnesses were present:

| | |
|---|---|
| William L. Romine | Mont. Mining Assoc. |
| Jack Williams | Mont. Chiefs Assoc. |
| Maurice A. Maffei | Self |
| Ron Green | Mont. Peace Officers Assoc. |
| James Madison | Dept. of Revenue |
| Larry Lewis | " |

CONSIDERATION OF SENATE BILL 186: Sen. Romney presented his bill which he said was to include a penalty for failure to file tax statements. Mr. Madison continued the testimony, further explaining the bill, and said he felt it was a necessity.

Chairman Watt asked for other proponents or opponents to the bill and Mr. Romine next spoke, also presenting written testimony, copy attached, Exh. #1.

The chairman then asked for additional testimony and their being none, permitted questions from the committee. They questioned the fact that the attorney general takes the action rather than the department of revenue.

Hearing was concluded on this bill following discussion.

CONSIDERATION OF SENATE BILLS 180, 214: Sen. Lynch presented these bills and said both were related to SB348. He said the bill would put a statute of limitations on debts to the state and would permit county treasurers to destroy old record books when they have reached statute of limitations.

Following his testimony Mr. Maffei spoke and illustrated how the many volumes of record books accumulate in county buildings and thought it was unnecessary that all of these old books be kept, when their usefulness is over.

Mr. Lewis spoke briefly also and said the Department of Revenue would have no objection if amendment were made to SB180.

Sen. Lynch concluded his testimony and following, the chairman opened the meeting for first, additional testimony and there being none, for questions by the committee.

The following discussion included mention of the books for historical value, and also question on procedure to collect delinquent taxes dated back to time before statute of limitations, should these statutes be amended.

CONSIDERATION OF SENATE BILL 305: The chair was turned over to vice chairman Healy and Sen. Watt presented his bill,

for which he was chief sponsor. He said the bill was identical to one previously passed for retired firemen and presented Mr. Harrison who was also a proponent and asked the committee to include retired policemen's benefits to be exempted. Mr. Williams also spoke in favor of the bill.

Vice chairman Healy asked for other proponents or opponents to the bill and there being none, opened the meeting for questions. Discussion included effective date to simplify bookkeeping procedures. Hearing on SB305 was closed.

DISPOSITION:

Sen. Turnage Moved that SB263 Be Held to allow the committee further time to consider the bill. It was brought out that Sen. Etchart, chief sponsor of the bill, would like to study the amendments recommended by the committee.

Sen. Towe Moved to Adopt Amendments #1, 2 to SB298; motion carried unanimously.

Sen. Towe then Moved to Adopt Amendments #3, 4 to SB298; motion carried unanimously.

Sen. Towe MOVED SB298 DO PASS AS AMENDED; motion carried. A roll call vote was taken with results 5-2. It was noted for the record that "No" votes were cast by Sens. Norman and Turnage.

Sen. Turnage proposed 4 amendments to SB186, which the committee agreed upon.

Sen. Turnage Moved to Adopt the Amendments to SB186; motion carried unanimously.

Sen. Turnage MOVED SB186 DO PASS AS AMENDED; motion carried unanimously.

Sen. Turnage proposed a number of amendments to SB180 and following discussion, the amendments were accepted.

Sen. Turnage Moved to Adopt Amendments to SB180; motion carried unanimously.

Sen. Turnage MOVED SB180 DO PASS AS AMENDED; motion carried unanimously.

There followed brief discussion on SB214 and Sen. Turnage MOVED SB214 DO NOT PASS. Motion carried unanimously.

Sen. Turnage then made several amendments to SB305 and Moved to Adopt Amendments to SB305; motion carried unanimously.

Sen. Watt MOVED SB305 DO PASS AS AMENDED. The motion was seconded by Sen. Healy and motion was carried unanimously.

CONSIDERATION OF SENATE BILL 104: Sen. Turnage introduced this bill and mentioned an example of a situation having arisen where the County Treasurer had refused to accept the taxes for a parcel of land that had been sold, until the taxes on the entire parcel were paid. The taxes became delinquent and land could then be sold for taxes. This bill would necessitate the

ROLL CALL

TAXATION COMMITTEE

44th LEGISLATIVE SESSION - - 1975 Date 2/13

| NAME | PRESENT | ABSENT | EXCUSED |
|---|---|---|---|
| SEN. HEALY | ✓ | | |
| SEN. BROWN | ✓ | | |
| SEN. MANNING | ✓ | | |
| SEN. MATHERS | ✓ | | |
| SEN. NORMAN | ✓ | | |
| SEN. TOWE | ✓ | | |
| SEN. TURNAGE | ✓ | | |
| CHAIRMAN WATT | ✓ | | |
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SENATE BILL 180

Senator Neil J. Lynch, district 42, Silverbow County, chief sponsor, did not appear, so Mr. Maurice A. Maffei, Butte, attorney and registered abstractor, explained SB 180 provides for a ten year statute of limitations on taxes levied and assessed prior to said ten year period, against real property, and provides that tax records over 30 years old may be destroyed or done away with at the discretion of the county treasurer. Presently books are stored poorly and are almost inacessible.

Mr. Bill Groff, department of revenue, supports SB 180 since he thinks if they haven't collected the taxes within ten years, they are not going to be able to do so.

Rep. Halvorson thought the tax records might be wanted by the Historical Society.

Once a lien is filed, the statute holds for ten years, and would not have any effect on the collection of taxes if filed within the ten year period.

Hearing adjourned at 9:10 a.m.

REP. DAN YARDLEY, Chairman

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SENATE BILL 264 - Rep. Edward Lien moved that SB 264 Be Concurred In. Motion carried with Rep. Dassinger opposing. Rep. Dassinger thinks this is a good deal for the people leasing the land since they don't have to pay taxes. Rep. Halvorson thinks the present arrangement is working well and should be left as it is since it is in conformance with good land use practices. So SENATE BILL 264 BE CONCURRED IN. Rep. Lien will carry.

SENATE BILL 173 - Rep. Tom Hager moved that SB 173 BE CONCURRED IN. Motion carried unanimously. Rep. Hager will carry on floor.

Senate Bill 180 - Rep. Ora J. Halvorson moved that SB 180 Be Concurred In. Rep. Fabrega moved that an amendment changing the 30 years storage time to 10 years be made. Motion failed with Reps. Teague, Anderson, Fabrega voting for and other 8 members voting against. Original motion of Be Concurred In carried unanimously. So SENATE BILL 180 BE CONCURRED IN.

SENATE BILL 192 was discussed and Rep. Kemmis moved that SB 192 Be Concurred In. Voting for concurrence were Reps. Dassinger, Johnson, Kemmis, Lien, Teague, Yardley - voting against concurrence were Reps. Aageson (by written proxy), Anderson, Bengtson, Fabrega, Hager and Halvorson, which made a tie vote. The bill was held in committee for further consideration.

Executive session adjourned at 9:15 a.m.

REP. DAN YARDLEY, Chairman

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SENATE BILL NO. 180

INTRODUCED BY LYNCH, LEE, HEALY

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A ~~THIRTY~~ TEN YEAR STATUTE OF LIMITATIONS ON ALL UNPAID TAXES LEVIED AND ASSESSED PRIOR TO SAID ~~THIRTY~~ TEN YEAR PERIOD, AGAINST REAL PROPERTY, AND TO PROVIDE FOR THE DESTRUCTION OF ALL SUCH TAX RECORDS OVER THIRTY YEARS OLD; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Certain unpaid taxes uncollectible -- stricken from records. All unpaid taxes, which constitute a lien on real property in the state of Montana, levied and assessed against real property WHICH HAVE REMAINED DELINQUENT, more than ~~thirty-(30)~~ TEN (10) years prior to the effective date of this act, whether the levy be by general or special assessment, or by the state of Montana, or any county, city, or political subdivision of the state of Montana, are hereby declared to be uncollectible and stricken from the respective tax records.

Section 2. Treasurers to destroy certain tax records. The treasurer of each county, city, or town in the state of Montana, ~~shall~~ MAY destroy all tax records in his possession more than thirty (30) years old ~~as-of-the-effective-date--of this--act--which-have-been-designated-as-uncollectable-under section-{1-of-this-act}~~.

SECTION 3. THIS ACT SHALL BE EFFECTIVE JULY 1, 1976.

-End-

REFERENCE BILL